

## The complaint

Mr V complains that HSBC UK Bank Plc unreasonably sent him letters asking for personal information from him.

## What happened

Mr V had a bank account with HSBC – and its predecessor Midland Bank – for around 45 years. In 2025, HSBC sent four questionnaires to Mr V asking for information from him including employment details, income, address history and certified proofs of address and identity.

Mr V said the demands for personal information concerned him. He said they appeared “amateurish”, they were intrusive and included high pressure threats to withdraw banking services if he did not respond within 15 days. He believed they were a scam. Mr V therefore closed his HSBC bank account. But he received a further two letters from HSBC asking for information from him.

Mr V said that there was no business address or telephone number on the letters and they did not include a named person at HSBC. He was worried that he had been singled out.

The investigator did not think the complaint should be upheld.

Mr V did not accept what the investigator said. He responded to make a number of points, including:

- The investigator had implied that the FCA rules and the money laundering regulations give HSBC a free hand to do what it pleases. There should be limits on those regulations to safeguard the interests of account holders. HSBC could clearly identify the origins of the funds going in and out of his account.
- HSBC had used the regulations as a pretext for gathering information that is out of all proportion to the nature and history of his domestic, low value current account. The range and detail of information sought and its methods of obtaining it were disproportionate and incompetent.
- We had uncritically swallowed everything HSBC had said and had hidden behind the excuse that we could not ask businesses to change their policies and processes. The ombudsman service should look into practices that deserve criticism where an organisation has over reached its authority.
- We had not set out what information the money laundering regulations permit the bank to collect. If he accepts the outcome as it is then HSBC has unfettered discretion to seek whatever information it chooses without any checks or balances.
- It is unethical to place an account holder under such a short time limit. He was pressured into closing his account – unless that was HSBC’s objective. He felt like HSBC was trying to “de-bank” him.

- We should ask HSBC why it decided to request this information from him and if it had identified any unusual transactions. And if it sent the questionnaires to all account holders – and if not what was the criteria for selecting customers. He is entitled to know who authorised this exercise to be carried out.
- It was impractical to be required to fill in four detailed questionnaires as well as have an independent person vouch for him – and provide evidence of their professional credentials.

### **What I've decided – and why**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

My role is to determine what I consider to be fair and reasonable in the individual circumstances of the complaint. To do that I am required to take into account a number of things, including any relevant rules and regulations, and what I consider to have been good practice at the time in question. I don't have the power to punish or fine businesses or to tell them they must do things differently.

If I find that a business has acted unfairly then I can tell it to put things right by compensating consumers for any financial loss or to reflect the impact of that on them. While I understand Mr V has questions he'd like answered that is not what I am here to do. I was sorry to hear how much this matter has affected Mr V. But after reviewing everything I do not consider HSBC has acted unfairly or unreasonably. I will explain why.

HSBC explained that it requested information from Mr V because it needed to make sure it held up to date information about him. It has confirmed that to us in its response to us and that it had been more than six years since it reviewed Mr V's account. HSBC doesn't have records going back more than that. So we don't know when it last verified the information it requested from Mr V – or even if it had done that at all, bearing in mind Mr V opened his account around 45 years ago when these requirements weren't in place. I appreciate Mr V thinks there must have been more to HSBC's request for information – but a bank is required to carry out a due diligence exercise if it has any doubts about the adequacy of the information or documents it held.

The information requested by HSBC is in line with the relevant regulations and with what I would expect to see. It reflects that HSBC was required to verify Mr V's identity and to assess the purpose and intended nature of the relationship. I was sorry Mr V found the information requested intrusive, but it was reasonable for HSBC to request that information from him.

The first questionnaire did not include any deadline to respond. HSBC accepts the second questionnaire, which did set a deadline of 15 days to respond, was sent in error – and it has apologised for that. It appears that it would usually give two weeks before sending a chaser warning that restrictions would be placed on the account. That is not unreasonable. And in any event, Mr V had made the decision to close his account.

Mr V was right to be cautious if he believed there was an attempted scam. But I don't consider that either the content of the cover letters and questionnaires or how they were presented were out of line with what I would expect from a bank in these circumstances. There was no requirement for HSBC to provide a named person. HSBC did provide website address that provided a link to customer support. But I agree with Mr V that there is more

HSBC could have done to help customers who needed support, for example by providing alternative contact details.

HSBC said that after Mr V closed his bank account his will safekeeping product remained open, so that is why the chaser letters were still sent.

Overall, I consider that HSBC has acted fairly and reasonably. There is no evidence that the request for information was intended to push Mr V to end his banking relationship with HSBC. That was his decision. But HSBC had legitimate reasons to request the information it did from Mr V and the way it went about requesting it was not unusual or unfair – although I accept Mr V would not have known that.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 7 January 2026.

Ken Rose  
**Ombudsman**